



Ambika Cotton Mills Limited

29/09/2022
Ref.No.ACM/SE/30/2022-23

To,
The Listing Department
National Stock Exchange of India Limited
Exchange Plaza, BandraKurla Complex
Bandra (E), Mumbai - 400 051

The Listing Department
BSE Limited
PhirozeJeejeebhoy Towers
Dalal Street, Mumbai - 400 001

BSE - Scrip Code: 531978 Scrip Name: Ambika Cotton Mills Limited
NSE - AMBIKCO

Dear Sirs,

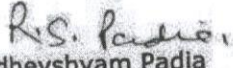
Filing of Proceedings - 34th AGM of the Company - Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Please find the details of proceedings of the 34th Annual General Meeting (AGM) of the Company held on Thursday, 29th September, 2022 at 12.00 Noon through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM").

Kindly acknowledge the same.

Thanking you,
Yours faithfully,

For Ambika Cotton Mills Limited


Radheyshyam Padia
[Company Secretary]

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CIN: L17115T21988PLCO02269

PROCEEDINGS OF THE 34TH AGM OF THE COMPANY HELD ON THURSDAY THE 29TH SEPTEMBER 2022 THROUGH VIDEO CONFERENCING (VC)/OTHER AUDIO VISUAL MEANS (OAVM).

The Quorum being present the meeting commenced.

SRI. P.V.CHANDRAN, Chairman and Managing Director presided the meeting.

The Chairman made a Statement as under

Dear Shareholders,

Dear Shareholders,

I am happy to welcome you all to the THIRTY FOURTH AGM of the Company.

The Directors' Report and accounts are with you for quite some time and I am happy to draw your attention that the company had made further progress in fiscal 2022. The total income amounted to Rs.925.48 Crores as against previous year total income of Rs. 633.69 Crores representing growth of 46.04 % as against growth of 1.58 % in the previous year. The gross profit amounted to Rs.273.38 Crores as compared to Rs. 119.33 Crores of the previous fiscal. This represents growth of 129.10% in gross profit as against growth of 23.37% in the previous year.

The direct export turnover in fiscal 2022 amounted to Rs. 583.41 Crores as against Rs. 420.87 Crores of fiscal 2021, representing growth of 38.62% as against decline of 0.04%. The export turnover constituted 66.34% of the net sales as against 68.45% of the previous fiscal.

In the first quarter ended 30th June 2022 of the current year, the company had made a total sales turnover of Rs. 243.11 Crores, of which direct export constituted Rs. 149.26 Crores. The net profit for the period stood at Rs.38.87 Crores and Cash Profit at Rs.46.30 Crores.

The Company's strategic focus of customer satisfaction and attracting new customers through commitment to production of high quality products serves as a strong varied customer base.

The Company's track record of product innovation, consistency in quality and timely delivery of committed orders has substantially contributed to repeat orders and its overall financial performance. It is relevant to note that on account of strong demand for cotton yarn resulted in upward price revision contributing to the overall financial performance of the Company. The inventory policy adopted by the company supported to meet the demand that arose in FY 2022.

The strong demand for cotton yarn caused impact over demand for cotton and in turn its prices. This demand scenario has caused mismatch as of now. Presently the demand for cotton yarn travels in soft zone. This in turn has resulted in softening of cotton prices.

The Srilanka instability has caused disturbances in the minds of the Banks. The Banks wanted to ascertain the factual position and it was explained to them that the buyers are located in Special Economic Zone in Srilanka and they cater to the Brands. Besides they carry strong net worth. Their earnings are in USD and would meet their obligations in USD in time without any causality.

We operate in a specialized market made up of carrying value.

The Bank Balances built into the Balance Sheet has acted as a cushion of comfort in the minds of the bankers and in turn they have sanctioned unsecured credit facilities over and above the secured credit limits and the company is comfortably placed to look forward to the future and would be in a position to mitigate any situation in the financial platform, thereby the future operations of the company is well secured.

CSR Activities of the Company

The Company has carried out several CSR activities such as contribution to Tamilnadu State Disaster Management Authority for COVID relief works, Supported Coimbatore Police Commissionerate in upgradation of Police Hospital and premises, Medical Support to Naval Station Agrani, Medical Support and Construction of primary centers in Gopalapatti and Kosavapatti villages of Dindigul District, Animal Welfare and Protection and various other activities.

I hope that the members would appreciate the consistent performance of the Company and the overall growth achieved.

Thereafter, there was an open discussion.

The members have raised questions through e-mails and also at the meeting which were categorized and answered by the Chairman. The members who have participated duly appreciated the performance of the Company. The Chairman explained in detail the operations of the Company.

He explained that subsequent to Covid-19, the Cotton Corporation of India (CCI) sold its stock in the market at a reasonable price on account of the next season coming up and this has enabled the spinners to post good margins in FY2022.

Subsequent to that the cotton prices started moving up and further resulted in non-availability. The company off loaded some of its inventory to support the operations of other spinners.

He further explained that we operate in a specialized market and the customers located in Srilanka and Bangladesh operate for Brands. On account of the crisis in Srilanka, the bankers were apprehensive in accepting the export documents of Srilanka but the company was confident and exported the goods under direct basis and the company has fully realised all the payments. The company carries gross fixed assets of Rs. 650.00 Crores and Net Current Assets of Rs. 600.00 Crores and in total Rs. 1250.00 Crores. The Cash Balance enabled the company to address the concerns of the bankers and has created confidence amongst them. He further said that those who have expanded were forced to stop even their pre expanded operations for want of material, its cost and want of orders. The expansion in a competitive spectrum wherein the prices would be decided by the buyers would not be in the best interest of the company. He expressed confidence that the company would continue to do well as before.

The members who have not exercised voting through remote e-voting were also given an e-voting platform to cast their votes at the meeting.

After exercise of vote by members, the meeting was closed.

Start time of the Meeting : 12.00 Noon
End time of the Meeting : 01.04 p.m

For AMBIKA COTTON MILLS LTD.,


(P.V. CHANDRAN)
Chairman and Managing Director

Place: Coimbatore
Date: 29.09.2022